

AGENCY NAME:

State Ethics Commission

AGENCY CODE:

R520

SECTION:

110



Fiscal Year 2014-15 Accountability Report

SUBMISSION FORM

AGENCY MISSION

The State Ethics Commission is an agency of state government responsible for the enforcement of the Ethics Reform Act to restore public trust in government, which is our mission. The Commission's mandate is to ensure compliance with the state's laws on financial disclosure, lobbyist/lobbyist's principal disclosure and campaign disclosure; regulate lobbyists and lobbying organizations; issue advisory opinions interpreting the statute; educate public officeholders and the public on the requirements of the state's ethics laws; conduct criminal and administrative investigations of violations of the state's ethics laws; and prosecute violators either administratively or criminally.

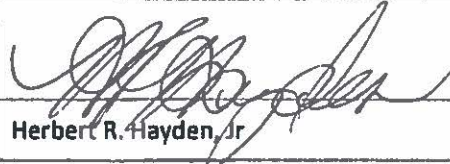
Please identify your agency's preferred contacts for this year's accountability report.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Herbert R. Hayden, Jr.	803-253-4192	herb@ethics.sc.gov
SECONDARY CONTACT:	Ami R. Franklin	803-253-4192	ami@ethics.sc.gov

I have reviewed and approved the enclosed FY 2014-15 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR
(SIGN/DATE):

(TYPE/PRINT NAME):

 09/08/15
Herbert R. Hayden, Jr.

BOARD/CMSN CHAIR
(SIGN/DATE):

(TYPE/PRINT NAME):

 9/8/2015
James I. Warren, III

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AGENCY'S DISCUSSION AND ANALYSIS

The General Assembly established the State Ethics Commission's mandate to restore public trust in governmental institutions and the political and governmental processes. The State Ethics Commission's mission is established by the statutory provisions of the Ethics Reform Act of 1991, Sections 2-17-5, et. seq., and 8-13-100, et. seq., Code of Laws for South Carolina, 1976, as amended.

The State Ethics Commission has one program, Administration. This program encompasses four distinct areas of responsibility of the Ethics, Government Accountability and Campaign Reform Act of 1991: lobbying registration and disclosure; ethical rules of conduct; financial disclosure; and campaign practices and disclosure. Three of the four areas are driven by disclosure and now that all disclosure is done electronically, the Ethics Act needs to reflect that change throughout the Act.

Enforcement of the very complex Ethics Reform Act is one of the major challenges before the State Ethics Commission. Over the last few years, citizens' and state agencies' concern with public corruption and violations of the state's ethics laws have caused increased investigative and non-compliance caseloads. The Commission's mandate requires close analysis of critical issues of which the outcomes have significant impacts on the lives of the affected individuals, to include criminal prosecution. As the number of complaints and forms filed has increased each year, the need for additional staff increases.

This mandate coupled with personnel and equipment needs, and limited funds, are major barriers to the fulfillment of the agency's mission and goals. The Commission must ensure that the latest technological advances are taken into account to balance the technology versus personnel scale. The security of technology and personnel are major concerns. The Commission collects large

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quantities of data that must be securely maintained. Commissioners and staff deal with issues with the potential to enrage individuals, so personnel security must be a goal and can dovetail with computer security to certain extent.

One highlight of 2015 was having a full Commission. Seven members are attorneys and two members are retired law enforcement officers. The Commission also began having meetings eleven months of the year rather than six months each year. This change was needed due to a change in staff, a backlog of hearings and the increase of complaints.

Another highlight of 2015 was getting the appropriations and authority from the legislature for another full-time investigator to be hired. This goal will be accomplished during FY2016.

[illegible]

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Description
G	1			More efficient and effective enforcement of the SC Ethics Laws
S		1.1		Legislative changes to the Ethics Reform Act to reflect the mandated electronic filing of all data.
O			1.1.1	Work with legislative staff to find a sponsor for legislation to only amend those sections of the Ethics Act that reflect a paper filing requirement.
O			1.1.2	Legislation failed during the 2015 session. Staff has begun work for the 2016 legislation session.
S		1.2		Timely investigate complaint matters and conduct complete random audits on various candidates.
O			1.2.1	Increase the number of investigators as the number of complaints rises each year and add one auditor to ensure full compliance with the campaign finance disclosure requirements.
O			1.2.2	Employ a second full-time investigator.
O			1.2.3	Employ an auditor whose sole function is the review of campaign finance reports.
O			1.2.4	Reduce the investigative time by the equitable distribution of complaints between investigators.
O			1.2.5	Review campaign finance reports immediately following deadlines.
G	2			Provide a safe, secure environment for Commissioners, staff, public and all data collected by the Commission.
S		2.1		Create a safe, secure office for staff and Commissioners on a day-to-day basis and for public meeting dates.
O			2.1.1	Re-design the office lobby to ensure entry is controlled through a locking system.
O			2.1.2	Re-design the lobby and filing room to provide a waiting area for the complainants, respondents and witnesses who attend Commission meetings and hearings.
-		2.2		Ensure the secure collection and retention of all data electronically filed with the Commission, as well as other information received.
-			2.2.1	New computers would utilize the most current security aware design techniques, as well as the most current hardware devices designed to protect computer systems.
-			2.2.2	Secure the premises to ensure that the complaints remain confidential during the investigation and after depending on the outcome.

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Performance Measurement Template

Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq	Calculation Method	Associated Objective(s)
1	Number of complaints pending at the close of FY2015	117	103	50	July 1 - June 30	Compliance Report	monthly/ yearly	All complaints filed in previous year plus pending complaints minus complaints resolved.	1.2.1, 1.2.4
2	Annual collection of late filing penalties	\$198,471	\$170,864	\$215,000	July 1 - June 30	Compliance Report	monthly/ yearly	Collections in house and through the SC Department of Revenue (DOR)	1.2.3, 1.2.5
3	Secured data filed electronically and on paper	0 hacks	0 hacks	0 hacks	July 1 - June 30	DIT Reporting	per occurrence	In light of DOR's hacking experience, all state agencies have been working with the SC Division of Technology regarding their data security.	2.2.1, 2.2.2
4	Secure the public space of the Ethics Commission to ensure the safety of staff, Commissioners and the public	0 Incidents	0 Incidents	0 Incidents	July 1 - June 30	Institutional Knowledge	per occurrence	Being a law enforcing agency, the State Ethics Commission wishes to proactively address the issue of work-place violence due to the nature of our work in conducting hearings and issuing late filing penalties.	2.1.1, 2.2.1